

TOWN OF FOUNTAIN HILLS
MINUTES OF THE EXECUTIVE AND REGULAR SESSION OF THE
FOUNTAIN HILLS TOWN COUNCIL
June 4, 2009

• **CALL TO ORDER**

Mayor Schlum called the Executive Session to order at 5:30 p.m. in the 2nd floor Fountain Conference Room.

AGENDA ITEM #1 – ROLL CALL AND VOTE TO GO INTO EXECUTIVE SESSION: DISCUSSION OR CONSULTATION WITH THE ATTORNEYS OF THE PUBLIC BODY IN ORDER TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE PUBLIC BODY'S POSITION REGARDING CONTRACTS THAT ARE THE SUBJECT OF NEGOTIATIONS, IN PENDING OR CONTEMPLATED LITIGATION OR IN SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION (SPECIFICALLY, THE FIREROCK TAX LITIGATION MATTER).

ROLL CALL – Present for roll call were the following members of the Fountain Hills Town Council: Mayor Schlum, Councilmember Contino, Councilmember Leger, Mayor Archambault and Councilmember Dickey. Town Manager Rick Davis, Town Attorney Andrew McGuire, and Town Clerk Bev Bender. Town Outside Legal Counsel Steve Newmark and Doug Gerlach were also present.

Councilmembers Brown and Hansen were not present.

Councilmember Contino **MOVED** to convene the Executive Session at 5:30 p.m. and Vice Mayor Archambault **SECONDED** the motion, which **CARRIED UNANIMOUSLY** by those present (5-0).

AGENDA ITEM #2 – RETURN TO REGULAR SESSION

Without objection the Executive Session adjourned at 6:20 p.m.

(Items on the agenda were discussed out of order but for purposes of clarity remain as listed on the agenda.)

* **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Mayor Schlum called the meeting to order at 6:30 p.m. in the Fountain Hills Town Hall Council Chambers.

* **INVOCATION** – Pastor David Iverson, Fountain Hills Christian Center

* **ROLL CALL**

Present for roll call were the following members of the Fountain Hills Town Council: Mayor Schlum, Councilmember Contino, Councilmember Leger, Councilmember Hansen, Vice Mayor Archambault and Councilmember Dickey. Town Manager Rick Davis, Town Attorney Andrew McGuire and Town Clerk Bev Bender were also present.

Councilmember Brown was excused from the meeting.

* **MAYOR'S REPORT**

Mayor Schlum advised that Consent Agenda Item #2 related to the termination of the agreement between the Town of Fountain Hills and Maricopa County for special transportation services. He explained that this item was merely a formality and no discussion could be entered into because the County Board of Supervisors had

voted to eliminate the program at the County level, which meant that the service was no longer an option for the Town. He said that any citizens wishing to comment on the Town's proposed volunteer transportation program were welcome to do so during the discussion period of Item #7.

SCHEDULED PUBLIC APPEARANCES/PRESENTATIONS

(i) DEPARTMENT DIVISION INFORMATION OVERVIEW OF SERVICES PROVIDED - HUMAN RESOURCES ADMINISTRATOR/RISK MANAGER JOAN MCINTOSH.

Human Resources Administrator/Risk Manager Joan McIntosh addressed the Council relative to this agenda item and provided a brief overview of the services provided by the Human Resources Division. She discussed the Division's five main responsibilities, which include: (1) Develop and implement equitable policies and procedures for Town employees, fostering a positive work environment; (2) Employee benefits and benefit administration - Work closely with the Town's insurance broker to provide the best health, dental, vision, life and disability insurances for the employees; Work closely with the Town's retirement plan representatives and assist employees with their paperwork when separating from service; Keep employees informed regarding the Town's Employee Assistance Plan; (3) Responsible for recruitment and overseeing the selection, advancement, retention and separation of employees; (4) Classification and Compensation - Perform annual compensation studies to determine market relationship and determine appropriate level of compensation for Town positions; (5) Employee Relations - Facilitate positive employer/employee relations with all employee groups; advise and counsel employees and work with supervisors regarding rewarding employees as well as disciplinary issues; process employee grievances, conduct internal investigations (sexual harassment, hostile work environment) and coordinate Family Medical Leave Assistance (FMLA and disability claims (ADA) as well as oversee the Volunteer Coordinator.

Ms. McIntosh thanked the members of the Council for their ongoing support.

Mayor Schlum thanked Ms. McIntosh for her presentation.

ii) PRESENTATION OF THE TOWN'S FISCAL REPORT FOR THE NINE MONTHS ENDING MARCH 31, 2009 BY DEPUTY TOWN MANAGER JULIE GHETTI.

Deputy Town Manager Julie Ghetti addressed the Council and provided a brief overview of the Town's Fiscal Report for the nine months ending March 31, 2009.

Discussion ensued relative to the General Fund (the ten months ending April 30, 2009); revenues; local sales tax collections; General Fund Expenditures; current year projections (General Fund); the Highway User Revenue Fund (HURF); the Economic Development Fund (Excise Tax); and the Capital Projects Fund (CIP). Ms. Ghetti provided clarifications and responded to a variety questions from the Council.

Mayor Schlum thanked Ms. Ghetti for her presentation.

(iii) PRESENTATION BY BRENT CAIN, VICE PRESIDENT/TRANSPORTATION PLANNING MANAGER, HDR, INC. RELATING TO THE UPGRADES TO SAGUARO AND SHEA BOULEVARDS.

Public Works Director Tom Ward addressed the Council and advised that Steve Sherwick would be filling in for Mr. Brent Cain this evening. He noted that Mr. Sherwick was the Project Manager on this project and that plans for this project were at 30% completion.

Mr. Sherwick addressed the Council relative to upgrades to Saguaro and Shea Boulevards relative to study objectives; phases, data collection; analysis results; recommended improvements; summary findings; next steps; study objectives; project milestones; study locations; turning movement counts (conducted at seven locations);

existing (2008) traffic counts; levels of service; crashes at Shea and Saguaro Boulevards; traffic volume estimates for the year 2030; levels of service at Shea and Saguaro Boulevards; and roadway improvements.

In summary, Mr. Sherwick stated that the study intersections operated at an acceptable level of service. He commented on what it could be like in 2030 without improvements being made and said that the proposed Ellman property traffic would impact the Shea/Saguaro intersection; a heavy delay was anticipated for the south bound left-turn traffic on Saguaro Boulevard and east bound left-turn traffic on Shea Boulevard and the intersections of Shea/Saguaro, Saguaro/Trevino and Saguaro/Monterey would operate below an acceptable level of service. He noted that with improvements by 2030, the intersection of Shea/Saguaro would operate at an acceptable level of service; queue length on southbound Saguaro Boulevard and eastbound Shea Boulevard would be shortened; and the intersections of Saguaro/Trevino and Saguaro/Monterey would continue to operate below an acceptable level of service due to excessive left turning delay.

Additional discussion ensued relative to the next steps and beginning the design phase in June of 2009, and confirmation that funding was 70/30 through a MAG grant.

Mayor Schlum thanked Mr. Sherwick for his presentation.

CALL TO THE PUBLIC

None.

CONSENT AGENDA

AGENDA ITEM #1 – CONSIDERATION OF APPROVING THE TOWN COUNCIL MEETING MINUTES FROM MAY 12, 2009.

AGENDA ITEM #2 – CONSIDERATION OF RESOLUTION 2009-20, TERMINATING THE INTERGOVERNMENTAL AGREEMENT CONTRACT NO. C-22-08-154-3-000, BETWEEN THE TOWN OF FOUNTAIN HILLS AND MARICOPA COUNTY HUMAN SERVICES DIVISION FOR SPECIAL TRANSPORTATION SERVICES EFFECTIVE JUNE 30, 2009.

AGENDA ITEM #3 – CONSIDERATION OF THE FIRST AMENDMENT TO THE OPTION AND SITE LEASE AGREEMENT BETWEEN THE TOWN AND VERIZON WIRELESS (VAW) LLC, FOR THE ADDITION OF A GENERATOR AREA AT 14972 EAST SHEA BOULEVARD.

AGENDA ITEM #4 - CONSIDERATION OF APPROVING RESOLUTION 2009-21, AUTHORIZING THE SUBMISSION OF PROJECTS FOR CONSIDERATION OF GRANT FUNDING THROUGH THE 2010 GOVERNOR'S OFFICE OF HIGHWAY SAFETY PLAN.

AGENDA ITEM #5 - CONSIDERATION OF APPROVING RESOLUTION 2009-03, REGARDING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF FOUNTAIN HILLS AND THE TOWN OF PARADISE VALLEY FOR SHARED EMERGENCY TRAFFIC SIGNAL WORK.

Vice Mayor Archambault **MOVED** to approve the Consent Agenda as listed and Councilmember Dickey **SECONDED** the motion. A roll call vote was taken with the following results:

Councilmember Contino	Aye
Councilmember Hansen	Aye
Councilmember Leger	Aye
Councilmember Dickey	Aye
Mayor Schlum	Aye
Councilmember Brown	Absent

Vice Mayor Archambault Aye

The motion **CARRIED UNANIMOUSLY** by those present (6-0).

REGULAR AGENDA

AGENDA ITEM #6 – DISCUSSION WITH POSSIBLE DIRECTION TO STAFF REGARDING THE TOWN OF FOUNTAIN HILLS' TENTATIVE BUDGET FOR FY 2009-2010.

Mayor Schlum stated that he was opening this item up for additional dialogue and encouraged the members of the Council to pose questions and provide input.

Councilmember Hansen recommended that they discuss Agenda Item #7 prior to Agenda Item #6 and the Mayor concurred with this suggestion.

Town Attorney Andrew McGuire advised that the Council could certainly amend the order of items if they wish to. (Further discussion of this item would occur after discussion of Agenda Item #7.)

Following Agenda Item #7, the following discussion took place:

Mayor Schlum asked Ms. Ghetti where they were at as far as looking at the Community Center fee schedule.

Ms. Ghetti stated that Mary Martin would respond to that question and noted that she worked with the department Directors and all of the fees.

Ms. Martin advised that all of the fees that staff was proposing would be a fee schedule to be adopted with the budget and be effective at that time. She said that the only change to the fees was a change in the structure more than the pricing and explained that when they did rentals in the past the room rentals were based on eight hours and they were now broken out into four-hour increments. She stated that this allowed people to rent the rooms for four-hour segments rather than for eight-hour segments. She added that the structure should be revenue neutral.

The Mayor asked whether the Community Center Advisory Commission was looking at the fee structure and said that was typically the process that would be followed to change the fee structure. Ms. Martin confirmed that this had already gone through the Commission. The Mayor stated that they were also doing another study that was just getting underway and that would be something that they would have to adjust midstream if it was going to be affecting this year's budget. He noted that it could result in a lower revenue number if the fees were lowered midstream in the Fiscal Year calendar and asked if that could be done.

Ms. Martin explained that one of the things staff was attempting to do with the fee structure was to put all of the fees in one place so that if changes needed to be made along the way, it would be much easier to do so.

Mayor Schlum commented that some of the other fees that members of the Council would like to see addressed were for events that might be for fundraisers and were in the Town Code today. He asked whether any of those had been addressed in the current Fiscal Year budget or how they would be addressed if they were to consider lowering fees for a smaller organization that wanted to do a fundraiser and required a permit that would cost a fee.

Ms. Martin replied that the fees in this fee schedule were the existing fees but the Special Events Committee met today and one of the items on the agenda was the start of a review of fees. She added that that would come forward as an amendment to the fee schedule in the current budget. She explained that some of the fees were just administrative fees, some were incorporated into the Town Code and some were in resolutions. She said

that Mr. McGuire could probably address where they were at with doing the background work to get them all in one place.

Mr. McGuire noted that the current effort was to do one Code Amendment to the Town Code to address all of the items that had fees built into the Town Code so that they did not have to go back through and do a Code Amendment every time they had to update fees. He added that the new language that they had been inserting as they had gone along over the past couple of years they would do in one felled swoop for all the rest of them and that was that the Council may, by separate resolution, adopt fees or as part of the fee schedule with the annual budget. He stated that that way the Council could address them once a year when they were doing the budget and it made sense to know what fees they would be generating or if something comes up midstream in the middle of the year they could adjust them by resolution as well.

Councilmember Hansen asked when the Special Event Committee was looking at the fees whether that would also be for things like medians on the Avenue and/or other open space areas such as in the parks where events might take place.

Ms. Martin replied that the agenda they spoke about today was primarily just Special Event Application fees and did not include median rentals or other types of rentals. She said that was something that staff could pursue.

Mayor Schlum stated that not all events required a Special Event Permit and Ms. Martin said that they had ramada rentals, for example, where if someone wanted to hold a small birthday party or family event they would just rent a ramada but they did not consider that an event.

Mayor Schlum said that if you compared the Town's Community Center to other community centers or convention centers you would find that it was a great value. He stated that the Community Center really was like a convention center with all of the amenities available, the beauty of it, size of the rooms and classrooms that were available. He added that the ballrooms were like those found in a convention center. He said that it did cost money to keep it up, staffing, etc. and he understood that. He commented on the community organizations that did so much for the community (citizens raising money, giving of their time, etc.) and stated that he would like to empower them to do even more if they could and he would like to see those fees and special events looked at in that light. He added that empowering them to do more would ultimately do more for their community and commented on the "Murphy mobile" that had been done down on Avenue of the Fountains and noted that they had to take out a permit, which was understandable because they were using a public street and there needed to be a process in place to keep track of things, but stated the opinion that the fee was a little high. He stated that in order to encourage more things (that was a fundraiser; an awareness campaign for someone we lost and a great opportunity for the community and the Arts Committee to get together) he would really like to make it easier for them, but he was also cognizant of the fact that every dollar less coming in (the form of revenue from people utilizing the Town's facilities) was a dollar less to fund an STS fund as well. He added that it was not a black and white issue but wanted to share where he was coming from as far as considering special event fees, ramada rentals and Community Center fees.

Councilmember Dickey stated that actual special events, since each one was looked at individually, would have to have some kind of a value judgment done on each event.

Mayor Schlum responded that the way he understood it, they had 501(c)3 local breakdowns and pricing and he did not know whether that went for special events as well or if that was something that could be added in there. He added that most of what he was speaking to would be more empowering the 501(c)3 organizations to do more things. He said he was not sure whether that would cover what Councilmember Dickey was speaking to but it would be more what he would like to see.

Councilmember Dickey cautioned against making case-by-case decisions sometimes so if there was a way to codify it so they were all on the same page that would be her preference.

The Mayor agreed and said that they had a great number of people who came forward wanting to use something for free and it was a great opportunity and a great effort because these people do wonderful fundraisers but in order to manage things they had to have a fee schedule and just allowing facilities to be used for free just was not manageable.

Councilmember Contino advised that the one thing he would like to have especially for special events had to do with filling out all of the paperwork. He said that he would like to simplify it for the people in Town for our events. He noted that they were trying to get more events but they also require people to fill out so much paperwork that it becomes an exhausting process.

Ms. Martin advised that special events committee was looking into streamlining the process and the application.

Councilmember Dickey asked if the Town received between \$25,000 and \$30,000 in LTAF II funding, were those monies included in the \$90,000?

Ms. Ghetti replied that the actual \$90,000 was an appropriation staff included in the budget and that they had understood that was to be the cost for Maricopa County's STS program. She added that the \$28,000 was now an allocation, a grant that the Town was eligible to apply for for LTAF II, which was lottery money that they did not anticipate. Staff was under the impression that there was not going to be any opportunity but it did require a 25% match so what would be required was out of that allocation in the General Fund they would take the 25% that had to come from the General Fund and put it over with the \$28,000 giving it \$30,000 but then that would reduce the \$90,000 appropriation by \$7,000. She noted that there were two separate funding sources; one was in the General Fund that they appropriated for Maricopa County and the other one was not budgeted but they could make room for it because it was a grant that the Town would apply for and hopefully get for the \$28,000.

Councilmember Dickey commented that technically they could only be spending \$60,000 if they had the \$90,000 that they were saying they were ready to spend on the transportation project, they might only (as far as a General Fund sort of thing) be spending around \$60,000 because they could supplement it. She added that she believed the figure was closer to \$30,000 in LTAF II monies so going straight from that they had their own \$7,000 or whatever their match was but basically the amount coming out of the General Fund was not going to be \$90,000.

Ms. Ghetti agreed that it did not have to be and reiterated that the \$90,000 was an appropriation put in there; they did not have the money - it was with the hope that they had the revenue coming in to pay for it. She added that the \$28,000 was money that they didn't plan on getting and hopefully would get. She noted that the \$7,000 did have to come out of the General Fund (out of that \$90,000 appropriation).

Discussion ensued relative to the fact that the State had placed a policy statement in the budget that said there would be a moratorium on development fees and a moratorium on any building code changes; the fact that the actual effect could be a lot greater than \$200,000; Councilmember Leger's reference to Page 142 in the budget under Senior Services (IGA Special Transportation Services, \$90,000) and said that the way that was being presented to the Council right now, that could be utilized for Valley Metro; Ms. Ghetti's concurrence with Councilmember Leger's statement; the fact that the funding had been referred to in the budget as STS but it could be called transportation; the addendum to the budget that Ms. Ghetti had provided to the Council (a worksheet that the Council requested previously) and the fact that under Contingency for Outside Legal Counsel they were showing \$48,000 and a request for more information on this item; and Ms. Ghetti's response that staff always included a contingency in the event the Town was served with a lawsuit that requires specialized outside counsel.

Mayor Schlum stated that he appreciated the fact that Ms. Ghetti had reached out to the various Councilmembers regarding the budget and offered one-on-one meetings.

In response to a question from the Mayor, Mr. McGuire advised that the tentative budget would be adopted as the final budget on the 18th of June and that the tax levy resolution would be back before the Council on July 2nd.

AGENDA ITEM #7 – UPDATE RELATING TO THE TOWN'S VOLUNTEER SPECIAL TRANSPORTATION SERVICES PROGRAM FOR CURRENT RIDERS OF THE MARICOPA COUNTY SPECIAL TRANSPORTATION SERVICE PROGRAM WITH POSSIBLE DIRECTION TO STAFF REGARDING CONTRACTING WITH AN OUTSIDE AGENCY TO PROVIDE SPECIAL TRANSPORTATION SERVICES FOR CURRENT RESIDENTS WHO PARTICIPATE IN DAILY ADULT DAY CARE PROGRAMS.

Human Resources Director Joan McIntosh addressed the Council relative to this agenda item and said she would like to talk about what staff had been doing to help transition the Special Transportation Services (STS) program that the County ran. She advised that the County had notified the riders in Fountain Hills that they would be discontinuing that service effective June 30th of this year. Ms. McIntosh advised that STS currently served 22 residents in Fountain Hills on a regular basis -- anywhere from one trip per week to 13 trips per week but they all went on a weekly basis. She said that six of the 22 residents use the STS services Monday through Friday to attend day treatment and training programs (much more than an adult day care). She noted that they actually taught their clients how to use eating utensils, how to spend money, how to go shopping, how to develop adult relationships, and really how to be more independent than they currently are. She stated that the remaining use of the STS services was for medical appointments and recreational and personal business. In addition to the 22 residents who rode the bus on a regular basis, there were another 12 residents who utilized the service more on an occasional basis (once or twice a month). She informed the Council that a committee was formed at the request of the Town Manager and Council to try and research some viable alternatives to the current STS program for the Town's residents. The members of the Committee consist of Town Manager Rick Davis, Heather Ware, the Town's Volunteer Coordinator and Ms. McIntosh as well as volunteers Bruce Florence, Jim Judge, Mary Mapes and Bill Whittaker.

Ms. McIntosh advised that they had first checked with some of the local jurisdictions but this did not work out because of liability issues and the limited number of vehicles available. She added that the Red Cross said that it was too cost prohibitive for their program due to the number of people in Town that would utilize their services. She said that the STAR program was the one she spoken about (the day treatment and training program) and she talked to them because they had five riders who went to their program and asked if they had a vehicle and would be willing to come into Town if we had some money to help subsidize the program. She advised that they talked to their Board and determined that they could not do it because they would have to purchase another vehicle and they would also have to hire a driver and they did not have the funds to do that. She added that they had also checked with Dial-A-Ride, which went as far as the Mayo Clinic but that it was for Scottsdale residents; however, they were willing to come into Town but it would cost \$65 per hour.

Ms. McIntosh stated that staff clearly understood that any program the Town was able to provide would not replace the STS services and said that a Town program would be a volunteer based initiative where riders were matched with volunteers in most cases. She said that they must decide, with the Council's direction, who they could serve on a long-term basis and who they could serve on a transitional basis. She advised that Valley Metro was trying to put together a program for the Town and staff had learned that they had done so and it might be a viable one. She explained that staff provided them with the mileage for each rider that went on a daily basis or at least two to three times a week outside of the Town's limits and they came up with an annual cost based on mileage, gasoline, etc. of approximately \$67,000 - much less expensive than what STS was charging - and that would provide transportation for approximately ten regular users. She added that they hopefully had about \$35,000 in LTAF funds that would be available (a grant that was not available until October and they had to apply for it) and advised that staff was very optimistic that they would receive that money because they always had in the past.

Ms. McIntosh said that the members of the Committee met on a regular basis and also went out in teams and met with each of the current riders to assess their needs. She stated that they had determined that all current riders would be taken care of first and added that they thought they would call the program "Give a Lift." She stressed that this was not a public transportation program; it was a volunteer program for the most part.

Discussion ensued relative to the recruitment of volunteers, which had already begun; recruitment and training of the volunteers, which would take some time; the fact that volunteers would use their own vehicles and the committee had discussed possibly providing a stipend to the volunteers to encourage their participation; the fact that any transportation for the volunteer program that would be outside of the Town would only be to the nearest transit stop at Mayo Clinic; rides for any medical appointments, shopping, recreation and social activities would be provided but the most needy would be the priorities (medical appointments, etc.); auto insurance/liability for the volunteers and the fact that their insurance would be the primary coverage and if for instance there was a lawsuit because of a car accident for example and the damages went beyond their limits then the Town would take over the remaining responsibility for the claim; the goal was to be ready with the volunteer program by July 1st and a lot of work remains before that time; the fact that following direction from the Council, Ms. Decker would develop a logo for this program and do some marketing and education for the public and adjustments and accommodations would be made as needed.

Ms. McIntosh indicated her willingness to respond to questions from the Council.

Mayor Schlum thanked Ms. McIntosh for her presentation and thanked the members of the Committee and the volunteers as well.

Ms. McIntosh, in response to comments from the Mayor, confirmed that the volunteer program would not replace the County's STS program and that it would only take people as far as the Mayo Clinic.

In response to a request from Councilmember Hansen, Ms. McIntosh discussed the Valley Metro program that would be for ten people and noted that that would be for riders who went outside of the Town limits on a regular basis like the ones who went to the STAR program. She added that there were other residents who went pretty much on a daily basis to medical appointments on Shea and 92nd Street or as far as St. Joseph's Hospital.

The Vice Mayor asked whether the Valley Metro program would utilize a special bus and Ms. McIntosh advised that it would only be for ambulatory riders (if they were able to get to the bus and transfer from a wheelchair into the vehicle and then fold their wheelchair and put that on and get back in it when they arrive at their destination). She added that anyone who was wheelchair bound and could not get out of it could also be provided services (there were only about three or four in this category) and they did include this in their cost estimate (a higher load rate).

Councilmember Dickey asked if the cost would be less expensive for Dial-A-Ride if the Town was a member and Ms. McIntosh advised that she called the City of Scottsdale and found out that they were Federally mandated to have Dial-A-Ride because they had an established bus route within a certain distance from the bus stop, but because the Town did not have an established bus route, they were not mandated and would not get the negotiated rates (the Town would have to pay the hourly rate of \$65.00 per hour). She said it would be more expensive for people who had to go outside of the Town limits. She added that they did not discuss whether the cost would be less if the Town became a member but staff could certainly look into that.

Councilmember Leger asked what type of qualifications the Valley Metro drivers had and she reported that they had to be over the age of 25 and have a valid Arizona driver's license. She said that their driving record was reviewed and background checks were also done. They must have a clear driving record for five to seven years.

Councilmember Dickey commented on some of the programs they were looking at and said she wondered if they could get more people served or the program could be expanded if a slight co-pay was charged.

Ms. McIntosh replied that they certainly could charge a co-pay like with the Dial-A-Ride where the riders would have to pay \$1.75 or another rate depending upon the zone they were going to. She said that would lower the Town's cost a little bit and added that many of the clients that staff talked to were willing to pay something but many were on fixed incomes and cannot afford to pay a lot.

In response to a question from Councilmember Contino, Ms. McIntosh reported that ten residents actually traveled outside of the Town limits and needed the service; she said that the rest of the users were local and more sporadic users.

Mayor Schlum advised that a number of citizens had submitted requests to speak and he would like to hear from them at this time.

Ms. Bender stated that she received 12 speaker cards and one person did not wish to speak but she wanted to let the Council know that she was in support of Agenda Item #7.

Mary Pilarinos said that according to the newspaper, Fountain Hills had made the list of the best and affluent community in which to live and if that was true, they must find a solution to this critical issue. She stated that according to the budget there was a balance of about \$1,310,254 allotted to a "Rainy Day Fund" and said, "Well it was raining now." She asked if any of those funds could be used towards this issue. She added that she identified line item expenses totaling over \$760,000 that were allotted to community events (advertising, signage, promotion, etc.) and stated that perhaps part of this money could be used or diverted towards this cause. She also discussed sacrificing some of the special events that were in the budget for purposes of promoting the Town's small Town character like the Eggstravaganza, the Kiwanis Pancake Breakfast, etc. She suggested that they do away with them on a temporary basis and use that money towards this special need. She noted that the Community Center had a van that they use for outings and trips that they get from Valley Metro for \$1.00 and asked whether that van could be used for this purpose. She added that she spoke with the American Red Cross and they had discontinued serving Fountain Hills but they did have an area in Prescott - however, they did have a van that was sitting in their parking lot that was for sale if anyone was interested and she had the name of the person to contact and a telephone number.

Joann Fiorilli said that she was not asked by anybody about her son's needs and many others were not asked as well. She advised that her son Jeremy would be 30 years old this July and he had Cerebral Palsy, which confined him to a wheelchair. She stated that his mental capacity was unknown but most people who meet him would attest to the fact that he was a talker and that he left a memorable impression one would not soon forget. She added that she must fight for his needs and he had the right to be a part of society and had counted on the transportation service to attend a day program and sheltered workshop in Scottsdale - the STAR's program. This allowed him the time away from home to give him independence, he learned how to interact with others, went on community outings to shop, saw movies and was able to be with his peers. In addition, the seniors in the community also used this service to receive outside medical services and treatments not available in Town. She discussed the fact that it was critical to accommodate the community's special needs citizens. She stated the opinion that the Town had an obligation to provide a qualified transportation service - not a service provided from outside sources by probably unskilled or unqualified volunteers. She said that certified personnel with proper and adequate training, having passed background checks, were necessary to ensure safety, handle everyday situations and medical emergencies should they arise. She added that the lack of this service results in grief and worry for herself and other caregivers, not to mention the added burden of altering daily schedules, work adjustments, doctor's appointments and extending their days if they have no choice but to provide the transportation. She added that all caregivers would suffer additional financial burdens in this already difficult economic time. She urged the Mayor and members of the Council to consider the needs of everyone in the community and ensure that the Town provides special accommodations.

Mary Ann Sawczyn thanked the members of the Council for giving the citizens a forum in which to present their thoughts, concerns, and suggestions regarding losing transportation services for the elderly and special needs.

Ms. Sawczyn read a letter containing her comments and suggestions regarding this issue and discussed her daughter Lori who had Cerebral Palsy and was non-ambulatory.

Jim Judge, a member of the volunteer committee and a member of the Senior Services Activity Commission said that ideally they would have the money to do the things that they all knew would be nice to do but the reality was they did not. He stated that they were doing the best they could in Fountain Hills to provide alternative services to the people who need it most. He noted that letters were sent out to all of the affected residents (47) and out of that number they determined that there were approximately ten to twelve people who had the most severe needs that they cannot fulfill with volunteers - they need special transportation, equipment, etc. He said that they had great volunteers in Town who would step forward and that was what they were trying to utilize to the best of their ability. He requested that the Council fund the area for special needs where volunteers could not perform the duties; therefore, they would have to hire outside services to transport the people.

Patty Harmon said that she had utilized STS since it began in 2001 and the drivers had been very accommodating. She stated that her concern regarding the volunteers for the special needs children and adults was whether the volunteers would be able to handle special situations/emergency situations should they arise. She contacted the City of Scottsdale (David Minehart) and they were having a meeting about buses to take people over to Mayo Clinic on June 18th. They would be discontinuing the 114 in the near future but they were going to be adding additional route 106 buses. She said that it would cost \$15 to have the bus ride every hour. She said she did not understand why they could not have bus stops on Saguaro Boulevard. She wanted to have a regular bus route in Town and possibly go into Scottsdale. She noted that the reduced passes did not apply to express bus routes

William Tamaccio stated that his son who had Cerebral Palsy rode three times a week to the STAR's program and stressed the importance of providing special needs people the ability to be all that they could be. He had a job there and he did not make much money but it did make him feel good. He said that he was present to find out what was going to happen because the transportation was very important to him.

Christina Fredrickson stated she fell into the category of the elderly and that she would soon be 90 years old. She said that both her sons lived out of state and that she had no one here to assist her with her transportation needs. She expressed concern for becoming a prisoner in her own home and stated the fact that she needed transportation as much as these other people did. She indicated that cabs were not an option for her due to the cost.

Mary Pulcino – Barbra Patterson read her prepared statement. She noted that she had lived here for 6 years and due to declining health had been using the special transportation services. She acknowledged that she was ADA certified to use Dial-a-Ride but they did not come to Fountain Hills. She felt that there should be transportation services for her dental and medical appointments. She pointed out that she could not afford taxi cabs but would be willing to pay a reasonable fare for transportation. She requested the Town provide transportation assistance for the handicapped and senior citizens to take care of their health needs and general well being. She stated that this was a growing situation that could affect anyone at any time. Therefore, the situation needed to be addressed and not swept under a carpet with equal transportation rights for everyone and treating everyone with the dignity that they deserved.

Barbara Patterson-Whitehead stated she was wearing a few hats this evening as a member of the Senior Services Advisory Commission, President of Senior Services Inc., the wife of a legally blind man, and a concerned citizen. She noted that her husband (who was 89) had used the special transportation services to get to work at Target four days a week for the past year but he was one of the lucky ones and would get by. She pointed out that some of those who used the service were extremely handicapped with no other means of transportation for those everyday errands that we took for granted. She opined that since the Town did not have any social services we must be creative and the program could not be eliminated. She stated appreciation for the Council's solid support of the seniors and the citizens and acknowledged that a group was in the process of trying to

organize volunteers to help with the load. She hoped that the Council would see the need to fund this endeavor stating that the most vulnerable must not be forgotten and shame on us if we did not help the less fortunate.

Ann Corso stated she had been impressed with those who had spoken previously. She requested that the Council open up their hearts as it could be anyone of us who needed the transportation assistance.

Rick Melendez said he was present to speak in support of those who were in danger of losing a vital service that would severely impact them on a daily basis. He stated that during these difficult economic times, everyone had to make difficult decisions on what to do with their budgets. He learned about the issue at hand about a month ago and had contacted Supervisor Don Stapley because he had been very supportive of the Town in the past. He read a letter he received from Supervisor Stapley. Mr. Melendez requested that the Council send a letter of support to Supervisor Stapley from the Town urging him to continue his efforts to secure other funding and also challenged them to think outside of the box and give careful thought to what they were going to do on this issue. He noted that this was not planning and zoning or deciding where they were going to put another monument, this was real people - so they must think carefully and do the right thing.

Mayor Schlum thanked all of the speakers for their comments and suggestions. The Mayor acknowledged that some confusion existed because they had a volunteer program and they had STS going away and they really were two separate items. He noted that the STS program was a County program that the County had decided to eliminate and most of the speakers tonight utilized that service and had legitimate concerns. He added that the volunteer program was one that would more or less be an additional service that would serve those who use STS today and who did not have to leave the Town (but most of the people speaking tonight did need to leave the community for services).

Councilmember Hansen asked if the level of the drivers with Valley Metro would be similar to what was provided in the STS program and Ms. McIntosh stated that it would be because it was the same program - Valley Metro was running both programs. She explained that there was such a big need and they called it "The Big 3" - Fountain Hills, Chandler and Glendale so they decided to establish this program called Total Transit and they would have the same quality of drivers as they had with the STS program.

Councilmember Hansen referred to a letter to the editor about VICAP and said it sounded as though they had already had meetings and were working to come up with a volunteer organization to provide volunteers that were trained and insured so they could provide the much needed transportation that the community's less fortunate individuals were in need of. She expressed the opinion that this could help and Ms. McIntosh advised that staff had been in communication with VICAP and stated that they were a great organization and had been active in Town for quite some time. She noted that it was a volunteer program so they did not have the vehicles to transport the disabled with wheelchairs but certainly they could help other people. She added that staff had also been in touch with Lutheran Social Services and they plan to set up camp in Town at one of the local churches. She advised that they did not provide transportation but one of the speakers talked about the fact that many people in Town needed help with light housekeeping and things like that and they did plan to provide those types of services.

Councilmember Dickey reported that the budget that was passed today in the State greatly affected our (the Town's) ability to provide for these kinds of needs. She said that she wanted to make the citizens were aware of that fact and emphasized that their input was important on that level too. She asked if there was any interest in utilizing shuttles or taxis in Town.

Ms. McIntosh said that staff was contacted by one local business that operated a shuttle and taxi service in Town and advised that the Town would have to go out to bid if they wanted to contract with a private service. She noted that this particular business did have the vehicles available to transport the disabled and go out of Town. She stated that no specific cost was discussed but staff wanted to get more direction from the Council before incurring any legal costs associated with going out to bid.

Councilmember Dickey commented that she thought she was hearing that there was some willingness to put something towards it (a co-pay by the rider) even if it was only minor and perhaps this would help them work something out with the provider.

Discussion ensued relative to the Valley Metro cab and medical transport program and Ms. McIntosh's opinion that it was pretty much equivalent to the STS service; the fact that the program would begin on July 1st; the price that they had quoted was \$67,000; Councilmember Leger's question as to whether Ms. McIntosh could envision a two-tiered program that would look at those that were less needy on the volunteer drivers' side and those that were more needy on a contract basis and Ms. McIntosh's response that definitely the people who were ambulatory and did not go out of the Town limits should be able to be matched with volunteers to provide transportation to and from local doctor appointments, etc., and as far as an outside agency for the more severely handicapped, there were a couple of different options as discussed this evening but her opinion was that the most viable option right now was Total Transit with Valley Metro; her added comment that the only obstacle in the way was the cost; and the Wheels on Meals volunteer program and positive comments that it received and Councilmember Leger's opinion that volunteers could significantly help those members of the community who were not as severely disabled with their local transportation needs although he was uncomfortable with the liability.

Councilmember Leger stated that he would like to hear more about Valley Metro and commented on the fact that it sounded as if they were pretty much "ready to hit the ground running."

Vice Mayor Archambault advised that this was the first of the budget woes that they were going to be seeing and reported that at 4:00 a.m. today the Senate passed a budget that would affect Fountain Hills by \$196,000 if it was signed. He said that he wanted the citizens of this Town to know that the members of the Council had been sending out e-mails and communicating with their Legislators on an ongoing basis. He said that they were in fact "robbing the money from the citizens and robbing it from the County" and causing the County to cancel the STS program and who knows what other programs would be cancelled. He noted that Fountain Hills was a Town of volunteers and people who step forward and take care of their own. He commended staff, particularly Ms. McIntosh, the Town Manager and all of the volunteers who were stepping forward in an effort to do something positive about a negative situation. He stated that he was asking himself and asking the citizens of the Town to step up and volunteer like they had always done before and to be patient. He expressed the opinion that they would move forward and he was certainly in favor of moving forward with the program and doing whatever they could to help alleviate the problem. He added that he wanted the citizens to know that it was not the Council doing this to them -- it was the budget and the situation that they were in -- and if they did not start talking to their Legislators, they were going to take a lot more away. He said that they did not want to have a situation where they started a program and then the budget gets cut so much that they were forced to eliminate public safety officers, firefighters, senior activities, youth activities, etc. He noted that this was a real possibility, not just this year but next year as well. He emphasized that the Council would continue their efforts to do everything they could but said they also needed the citizens' continuing help and support. He advised that he had the Legislators' telephone numbers and would be happy to provide them to anyone interested.

Councilmember Dickey noted that this year they had budgeted for this item in anticipation of STS but she wanted to check on a couple of numbers. She thought that in the budget it said \$90,000 and she did not know if they would be getting the \$35,000, the \$28,000 or the \$26,000 - she saw three different amounts as far as what they might be able to get. She added that she would like to see more people take advantage of this in any way possible, whether it was the voluntary one, and if they did have \$90,000 in already, even if they did not need it right away she would rather see the \$90,000 stay in the budget for now, even if it's \$28,000 instead of \$35,000.

Town Manager Rick Davis thanked Councilmember Dickey for bringing this issue up and stated that there was no money in the budget that they had coming up - no money had been realized. The budget was primarily a policy statement by the Council, which authorized the expenditure up to \$90,000 for STS. He explained that they put that amount in the budget before STS was officially gone, so there was not \$90,000 right now and as they had heard from the Vice Mayor, there would likely be some continuing evaporation of funds that they

would endure throughout the year. He agreed that it was unfortunate that the burden or the budget dilemma that the State finds itself in was not necessarily being addressed but rather was being pushed down to the local level so they could address it. He said that perhaps the Town would be able to accomplish what they were not able to. He reported that the \$28,000 referred to was the LTAF II money that was set aside for transit purposes like this and it came with a 25% match and therefore the extra \$7,000 composed the total of \$35,000. The Town had to contribute \$7,000 to the \$28,000 and that was the reason for the multiple figures. He reiterated that the \$90,000 was a policy statement that was made some time ago and the Council would need to consider seriously whether they wanted to continue to make that policy statement in the budget. The \$28,000 was the LTAF II contribution and the \$7,000 was the Town's match for a total of \$35,000.

In response to a question from Vice Mayor Archambault, Mr. Davis stated that staff was as confident as they could be in this economic climate that they would receive the \$35,000.

Mayor Schlum commented that today they did not have a solution starting July 1st for anyone currently using STS - whether they were leaving Town, had special needs or qualified because of other means for STS. They did not have a program ready to go so people did need to take precautions/measures because this was a quick change that had occurred that they all had to deal with. He discussed the Council's concerns regarding this important issue and assured the citizens that they would continue to work diligently on this issue. He added that they would be having ongoing discussions regarding this matter and reiterated that the STS program would be eliminated in three or four weeks.

Councilmember Contino thanked Ms. McIntosh and everyone else who had worked on this. He commented on the fact that when he got elected he was in a scooter and he sits back now and looks at everything and the fact that staff had bent over backwards to provide him with every kind of assistance possible as a Council person in and out of the Chambers and in the buildings. He added that they took special time to make sure he had the transportation he needed. He noted that this was not an easy job to just have a service cut and start with another one. He said that he had had doors shut in his face every day; nobody cares sometimes. He added that they were faced with this situation and the Town was trying to help all of the handicapped people. He stated that when they saw him out there in the scooter, he hoped they did not run him down.

Councilmember Hansen expressed the opinion that they had been given an opportunity this evening and having Ms. McIntosh get the information today on Valley Metro gave them two very good options to look at as far as moving forward - the volunteer program and making arrangements with Valley Metro. She added that she wanted to follow what Mr. Davis had said about the policy statement and as Councilmember Dickey said, leave the \$90,000 in the budget as the policy statement.

Vice Mayor Archambault **MOVED** to direct staff to proceed with the Give a Lift program consisting of volunteer drivers as well as the possibility of contracting with an outside agency to provide outside transportation services to Fountain Hills' residents who participate in daily adult day care programs and Councilmember Hansen **SECONDED** the motion.

The Vice Mayor said that the Council "has heard the citizens calling out into the night."

Mayor Schlum stated that the direction to staff was obviously the volunteer program, which they were not discussing a whole lot tonight, but he was very excited about that program because it had a lot of opportunities to grow even beyond what they were looking at to address as far as current needed to get the community a transit system where they did not have one to some extent. He noted that the Town did not have a Transportation Department or a bus system, so they could not just "turn it up" and get people certified, etc. He added that he did favor the motion to look at outside agencies and the one that looks the most promising was the Valley Metro Total Transit program to meet the special needs that they require outside of Fountain Hills.

In response to a question from the Mayor, Town Attorney Andrew McGuire advised that staff would probably be back before the Council with a contract on the 18th if they could get it done by then and if not, that was one more thing that would have to be added to the July 2nd agenda.

Mr. Davis stated that if they have a program, staff would come back with a contract.

The Mayor called for a vote on the motion.

The motion **CARRIED UNANIMOUSLY** by those present (6-0).

The Mayor declared a brief recess at this time and said that when they returned they would continue discussion on Agenda Item #6.

AGENDA TEM #8 – PUBLIC HEARING OF A SPECIAL USE PERMIT FOR QUINN UNITED ENTERPRISES ON BEHALF OF CRICKET COMMUNICATIONS, TO ALLOW THE REPLACEMENT OF A 49'-2" TALL LIGHT POLE WITH A 80'-5" TALL LIGHT POLE WITH A CELLULAR ANTENNA ON TOP IN DESERT VISTA PARK. CASE NUMBER SU2009-02.

Mayor Schlum declared the public hearing open at 8:45 p.m.

Senior Planner Bob Rodgers addressed the Council relative to these agenda items and said that the request required a Special Use Permit because the pole would be placed in a C-1 zoning district that allowed a maximum height of 25 feet and because the property was within 300 feet of a residential area.

Mr. Rodgers discussed the actual site location and explained that placing the antenna in this location allowed for an out-of-the-way placement of the ground equipment and also replaces an existing light pole. He noted that the equipment would be surrounded by an 8-foot wall, which would be finished with stucco and paint to match the other structures in the park. He informed the Council that the Planning and Zoning Commission forwarded a recommendation to approve the request and staff recommends that the Council vote to approve the Special Use Permit as presented subject to the terms that would be contained in the lease agreement.

Town Clerk Bev Bender advised that there were no citizens wishing to speak on these items.

Mayor Schlum declared the public hearing closed at 8:47 p.m.

AGENDA ITEM #9 – CONSIDERATION OF A SPECIAL USE PERMIT FOR QUINN UNITED ENTERPRISES ON BEHALF OF CRICKET COMMUNICATIONS, TO ALLOW THE REPLACEMENT OF A 49'2" TALL LIGHT POLE WITH A 80'5" TALL LIGHT POLE WITH A CELLULAR ANTENNA ON TOP IN DESERT VISTA PARK, CASE NUMBER SU2009-02.

Vice Mayor Archambault **MOVED** to approve the Special Use Permit outlined in the applicant's narrative and subject to the stipulations requested by the Parks & Recreation Department and Councilmember Dickey **SECONDED** the motion.

Mayor Schlum stated that he had a question about the fence and equipment that was going to be placed there. He said that he had visited the location and asked if the poles more centrally located in the park were taller (close to 80 feet) and Mr. Rodgers confirmed that some of them were taller.

The Mayor said that the ones along the outside were shorter poles (approximately 49 feet) and the larger ones had lights on the top and lights in the middle and this one had a light at the top, which would be equal to the lights in the middle on the other poles. Mayor Schlum commented that the location of the equipment took away some of the park space (grassy area) and he said he did not like that but he also wondered how tall the fence would be because it was going to be less visible for people on the road looking at the park (it was going to block

visibility for police that were patrolling). He added that it was also a place for people to hide out or sit around because of the lesser visibility. Mr. Rodgers noted that the enclosed area would be 16 feet by 12 feet and the fence would be 8-feet tall (a block wall).

The Mayor asked if there was a way to reduce the size at all and Mr. Rodgers replied that it was about as small as it could get. He advised that they had chosen a different pole but it was going to interfere with the park operations so the Parks Department chose this location.

Mr. Rodgers reported that it was his understanding that this would be a single-user pole and the equipment would just be for Cricket.

Mayor Schlum commented that it would be great to try and have poles be joint use poles only so they could get more use from them. He added that they should always include an option for the Town to utilize the poles as well. Mr. Rodgers replied that that could be part of the negotiation process. He said that the problem with additional carriers on the poles would be that each one would have their own enclosure so the area would be bigger even though they use the same pole.

Councilmember Dickey asked how much the rent would be and Mr. Rodgers stated that he believed that was still under negotiation. Mr. McGuire said he believed it was \$1,500 a month in the current version of the lease.

Mayor Schlum reiterated that the enclosure area bothered him because it was in the middle of the park and blocked the visibility into the park.

The motion **CARRIED UNANIMOUSLY** by those present (6-0).

AGENDA ITEM #10 – DISCUSSION WITH POSSIBLE DIRECTION TO STAFF RELATING TO THE DESIGN PROCESS TO MEET THE GRANT FUNDING CRITERIA FOR THE POTENTIAL NEW FIRE STATION.

Fire Chief Scott LaGreca addressed the Council and stated that June 8th was the opening of the application period for the fire station construction grant (FSC). He noted that approximately \$210 million would be awarded; \$15 million maximum per grant and \$5 million maximum grant per project. He said that one community could go up to three fire stations and receive \$15 million. He advised that it was going to be extremely competitive and they were expecting approximately 10 to 13 billion dollars worth of requests on the initial application. He added that through pre-screening they were going to reduce the number of requests that would go into peer review. He noted that as previously stated, there was not going to be any cost sharing required; however there was a cost share option and they mentioned it four times throughout the 48-page document that if you so choose to do a match, it would be looked upon favorably and given more consideration for your project(s) as you have more desire to see it go through. The Chief reiterated that it was not required and he was not asking the Council tonight to do that, he just wanted to bring it to their attention. He added that should the Council desire to do that, it could be any denomination they want and for firefighter grants it was a 90/10 match. He said that was something to think about but it was certainly not a hard dollar commitment at this point. It would only become a hard dollar commitment if the grant was deemed to be successful and awarded to the Town.

Councilmember Dickey commented that if it affected the Town's ability to get the grant (to show a willingness to do that) would they then have to do that up front and Chief LaGreca replied that if they decided to fill out the grant application and put in that the Town was willing to do a 10% match, that would be looked upon favorably in the peer preview. He added that there were no guarantees, whether they indicated a willingness to provide a match or not, and added that it was all based on a point system but it would show that the Town had more of a commitment as a community because they were willing to share more dollars.

Councilmember Dickey asked if they could use the design money that they already put in as the grant match and the Chief responded that they could not. He explained that they had stated that any monies spent prior to the application for the grant would not be considered.

Mr. Davis interjected that although that money could not be used for the match, the fact that they had spent those funds would reflect favorably upon the Town.

Chief LaGreca stated that he felt very comfortable where they were at and their ability to compete in the process.

Discussion ensued relative to some of the priorities that they were going to be looking for including enhanced response capability, expanded mutual aid and effect on daily operations; the fact that the Town would have to commit the 10% between June 8th and July 10th; the Town would need to submit to FEMA that the Town was willing, ready and able if awarded a grant to pay for 10% of the grant; the fact that the monies would be due when the grant was awarded (between September and December of this year); LEED certification and the fact that if the Council decided to move in that direction, they would notify the Town Manager who would instruct the Chief to move forward in that direction; construction features; and Councilmember Dickey's question as to whether there were any other recognized certifications, other than LEED, that would not cost as much to obtain.

Mr. Davis advised that staff has had to react very quickly to this and time was of the essence because they had a couple of "moving parts" - one was the application deadline coming up and another was an architect who was working on the plans. He advised that the architect had explained that if they wanted to actually get the certificate that said the Town was silver qualified in LEED, that process had to begin immediately (the design process and it followed through the construction of the project and at the end a certificate was received). He reported that staff learned today that that cost would be in the neighborhood of approximately \$74,000. He noted that staff had always intended and were still very much committed to the idea of making sure that LEED elements were incorporated into the building to a silver level. He stated that staff's recommendation was that they explain in the application process the criteria and the elements pertaining to LEED that they intend to incorporate into this building; that the Town's architect was LEED certified and the Town was committed to creating a green building, etc. He added that as the Chief stated, they just did not think this piece of paper would be the item that "puts them over the top" or makes that big a difference. He stated that this would be a LEED building and he believed they could make a strong case for that in the application process. He summarized that staff was not asking for \$74,000 this evening and they would not ask the Council to make a decision tonight; staff would bring this back but they felt that they needed to get this information in front of the Council as soon as possible. He added that Option 2 was to go for the certification but there was still another option - they could delay the design so that they did not pass that threshold ("the point of no return") until they found out whether they have the grant and then incorporate the cost of the certification into the grant request. He advised that that would not be staff's first recommendation because it could be until September or October before they found out. He noted that it was kind of a gamble because the competition was so fierce and he applauded the Council for what they had done so far (the design was going, they believed they had a strong project, they own the land, etc.) so there were many strengths that they bring to the table including the fact that they were incorporating LEED standards into the building and have a LEED certified architect so staff believes that by spending the additional \$74,000, they were not going to get an extra \$74,000 worth of chance to get the grant. He stated that staff was happy to take whatever direction the Council had for them but wanted to make sure that they were clear on staff's recommendation. He emphasized that when staff left the table this morning they were unified in making that recommendation.

In response to a request from the Mayor, Mr. Davis reiterated that staff's recommendation was that they thoroughly explain in the application and process that they were in the midst of a design that incorporated a silver level LEED certification but that they also explained to them that formal certification was cost prohibitive at this time.

The Mayor asked Mr. Davis to speak to the 10% and he stated that in his experience with grants any time they were able to contribute some monies they showed that they were willing to invest in the project themselves and that had a powerful bearing on the project's consideration. He expressed the opinion that the 10% was appropriate and it was in line with other fire-related grants in the past and also was not so large that the question comes up "why aren't you just funding the whole project if you were willing to match that much?" He said that he would recommend spending the 10%.

Vice Mayor Archambault commented on the fact that by the time the grant was awarded and they could move forward, if successful, it would be January of next year and said he knew they had the expenditure in this year's budget and said they probably would not go through the entire expenditure until they get into next year's budget.

Mr. Davis stated that that was certainly a decision that needed to be made and one that staff had not made at this point; staff would need to discuss that with the Council.

The Vice Mayor asked if they were confident that it was going to come within their budget and Mr. Davis replied that at this point he did not think it would exceed the budgeted amount.

Chief LaGreca advised that in order to answer that question staff would sit down within the next week or two (Chief LaGreca, Chief Roberts and Ms. Ghetti) and go over the budget one more time. He said that they would also add in some caveats that they were told they could do, such as administrative costs, auditing costs (because this grant would have to be audited as it was over \$500,000) so they would have to determine what the cost of a single audit would be and what their administrative costs would be to carry forward this grant if it was accepted. He explained that they could put in for up to 3% of the grant for administrative costs. He noted that they would prepare a calculated spreadsheet.

Vice Mayor Archambault stated that they wanted to make sure that if they were going to do a 10% match that they would have the money and said that he was in favor of moving forward with the grant match because that always seemed to get them a step ahead. He added the opinion that the Town was already miles ahead of a lot of the competition and if they did not win the grant they "probably just fell off the ladder right at the very end." He said that he wants to position the Town in the best possible way to get the grant but he did not want to just throw money at it. He agreed with the recommendation that they not just go out and get the certification but rather provide a match was the best move for the Town at this time.

Councilmember Dickey advised that when the Council did the tour of the green fire station in Scottsdale she was under the impression that the Town was going for the LEED certification and that was why she asked the architect at the time if he was LEED's certified. She said if it was possible for the Council to not make too much of a decision this evening she would like the opportunity to research why it costs \$74,000 to obtain the certification and ascertain its value. She also wanted to know why the match would have a powerful effect on the Town's ability to obtain a grant but staff did not believe that the certification was as important. She emphasized that she was all for doing whatever they could to get the funding and strongly believed that the certification would help them obtain the funding.

Mr. Davis explained that his recommendation was based on experience and added that he had not had much experience with the LEED's certification before but staff did with the matching part for the grants. He added that staff was making an assumption based on that experience and the fact that it appeared to have a powerful impact as far as consideration. He added that the question mark in their minds was how powerful was getting the certification going to be. Mr. Davis confirmed that the LEED fee was a hard cost.

Chief LaGreca stated that if the Council said this evening or on the 18th that the Town was going to appropriate \$74,000 towards LEED certification, then the design of the building would go forward under a new set of parameters and design work. He added that if they decided that they wanted to try and get that \$74,000 from the grant, they would have to stop the design process right now and wait to determine if in fact they were going to be awarded the grant. He stated that if they were awarded that grant, then they would start the design process up

at that time. He added that he did not know what kind of ramifications that would have with the contract with the architectural firm that they have now (could they start and stop and what some of the technicalities would be).

Chief LaGreca expressed the opinion that Councilmember Dickey was wise in trying to look into this somewhat deeper because they were really talking about more than the initial \$74,000 to get this certification - there would be ongoing costs to be considered as well.

Councilmember Leger said that in the memorandum from the Town Manager relative to the LEED certification it talked about a third party organization that held the right and responsibility to franchise to issue LEED certifications. He asked if they had a building inspector on staff that was LEED's certified whether that person could inspect the building along the way and certify and the Chief said no. He explained that several of the requirements to be LEED certified include having a four year engineering degree and going through several processes to obtain the certification and then going through several more processes where they could charge the \$38,500 to certify the building as LEED certified. He advised that the Town would have to hire one of the consulting firms that were LEED professionals; an in-house person would not suffice.

Mr. Davis advised that staff would bring this issue back before the Council on June 18th with a recommendation, which the Council already has, and they would open the matter up for additional discussion and direction to staff.

In response to a question from the Mayor, Chief LaGreca noted that there was no "magic number" for a match and said that the only reason he came up with the 10% was because that was what they were required to come up with for firefighter grants in a community of 50,000 or less. He added that the match figure could be any number the Council wanted.

Councilmember Leger commented that assuming that the price tag \$1.5 million, they were looking at \$150,000 and currently in the budget and throughout budget discussions that \$150,000 was not there. He asked if the Town Manager was suggesting that he would bring a recommendation back to the Council on June 18th that would be inclusive of the \$150,000.

Mr. Davis said no and added that tonight they had made clear what staff's recommendation was – that they proceed with the application process and explain the elements they intended to incorporate and the Town's aspiration to achieve LEED's silver certification equivalent standards in the building. He added that staff had also given the Council some other options such as going forward with the LEED certification or delaying the architectural process to the point where they see whether they were going to receive the grant and if they did get the grant then they incorporated the cost of the LEED certification in with the cost of the building. He stated that on the 18th staff would be looking for direction as to which one of those three options they would like to pursue (knowing what staff's first recommendation was).

Councilmember Leger noted that currently the \$360,000 was in this Fiscal Year's budget and there was not \$150,000 in the current budget for this project so he asked whether staff would be presenting to the Council an option for moving that money over and, if so, where would it be coming from (capital??).

Mr. Davis said that hypothetically if the Council decided to go with staff's recommendation, obviously no modification would need to be made to the budget. He added that the match would obviously have to be budgeted as part of the project in the year that they plan to move forward with that expenditure.

Councilmember Leger asked whether it would make sense this evening to decide whether they wanted to go with the 10% match and if they did decide to move ahead with that, then staff could do their due diligence and present the Council with a budget that had the \$150,000 in it. He stated the opinion that this was a discussion that they needed to have and they needed to firm something up rather than wait until later and then have to go back to the drawing board again.

Chief LaGreca said that Councilmember Leger brought up a very good point about what the dollar cost really was to build the station and if they stopped the architect right now they were not going to get that hard dollar cost from him until they start him up again and then they were just working on what they think it was going to cost.

Mr. Davis stated that it was his understanding that if they went to the 18th and the Council decided on the 10% match, he would like to know whether when they passed it an amendment could be made at that time to include the 10% match or whether it had to be decided this evening.

Ms. Ghetti responded that if a decision was made to put in a match they would have to include it in the budget but they would have to take it from somewhere else because they had already adopted their maximum, which meant they could not increase the budget.

Mayor Schlum asked what had been budgeted for the fire station as far as cash going out and cash coming in.

Ms. Ghetti replied that they typically budget the full amount of the project even if they knew that it was going to be a two-year project because they did not really know how much they were going to get done. She added that they actually had to budget the full amount and for the fire station she believed it was \$1.546 million. She noted that the reality was that they probably would not spend that full amount because they probably would not get started until after the grant award and it would probably not be finished within that period of time. She said that conceivably you would spend three quarters of it the next Fiscal Year and then the last quarter of it in the next Fiscal Year, which was where you would budget it.

Mayor Schlum stated that if they were to fund 100% of the cost at what they expected it to cost today, they would have the money already in the budget and Ms. Ghetti concurred with the Mayor's statement.

Mr. Davis commented that the question still was did they have the time this coming week or in the next two weeks to discuss where they would get the \$150,000 and come back and give that information to the Council between now and the 18th and still be able to incorporate that change into the budget by the 18th.

Mayor Schlum stated that he now realized that they have the money in the budget and the extra \$150,000 would be a discussion point tonight if they choose to go with the 10%.

Councilmember Leger commented that he understood that but what concerned him was that they were moving the cost across to a new budget year and throwing on additional dollars. They were saying they were doing the project this year but then they were going to come back and get more money next year. He said that he did not think they could squeeze the monies out of the current budget unless they drop some of the other projects.

Ms. Ghetti noted that they would only be getting 90% of the grant and they would pay for 10%. She said either way it would still be \$1.5 million.

Councilmember Leger said that he understood that assuming they stayed at the \$1.5 million and it was not a higher number.

Vice Mayor Archambault explained that that was where he was going earlier with his question – they had \$1.5 million they could spend this year but if the project came in at \$1.7 and they would have to come up with another \$200,000, they would not have to do that until the following year when they could appropriate the monies because they would not have the money to do that this year. He added that sometimes you almost wanted jobs to fall into the following year because that gave you the ability to find out what funds you had saved on capital projects that could be used to finish the job. He noted that the Fountain project was a good example of that. He said they could still accept a contract for \$1.7 million but they just could not spend more than \$1.5 million this year and the matching funds would be in the \$1.5 million.

Mayor Schlum said that if they had a project that they budgeted \$1.5 million for in capital improvements and it went to \$1.7 million could not they spend that but would need to reduce it somewhere else. Ms. Ghetti agreed with the Mayor's statement.

Councilmember Hansen noted that they had \$433,000 in capital contingency and asked if that could be used if push came to shove and the Mayor said it could come from anywhere in the capital improvement fund.

The Mayor stated that the question was whether the Council was going to be comfortable putting in 10% to get 90%.

Councilmember Dickey recommended that they discuss this with some others because this was so new that there might be some feelings that were going to start to come out. She noted that this was a really important issue and although they were under time constraints, this might help somewhat.

Chief LaGreca thanked the Council for the opportunity to address them.

Mr. Davis commented that he was not necessarily looking for the Council to make a decision this evening but he did want to make sure that all of the information and options were brought before the Council as soon as possible. He added that the \$74,000 shocked everyone but nothing had really changed. He added that staff wanted the Council to make the right decision but not necessarily be rushed into it.

AGENDA ITEM #11 - DISCUSSION AND CONSIDERATION OF APPROVING THE FOUR DAY - TEN HOUR PER DAY WORK WEEK SCHEDULE FOR TOWN EMPLOYEES ON A PERMANENT BASIS.

Human Services Director Joan McIntosh addressed the Council relative to this agenda item and said that as the Council knew, Town staff had been on a trial period beginning January 5, 2009, for the 4-10 business hours and staff promised that they would get back to the Council after the trial period and report on what they had learned; that was what they were doing tonight.

Ms. McIntosh noted that staff evaluated four criteria during the trial period: (1) enhancement of customer service; (2) cost savings in energy consumption; (3) the environmental impact and (4) employee recruitment/retention and overall job satisfaction. She reported that the number of customers that came into Town Hall before 8:00 a.m. (between 7:00 a.m. and 8:00 a.m.) and after 5:00 p.m. had steadily increased over the trial period. It began at 5.57% in January and in May it had increased to 15% (customers had actually gone up to the second floor during those hours). She stated that this indicated that the customers were really becoming increasingly aware of the benefits associated with the extended hours. She added that staff had also been surveying their customers and in tallying the results, 85% of the Town's customers were in favor of continuing the 4-10 schedule or they were neutral and 15% were in favor of going back to the 5-8 schedule.

Ms. McIntosh referred the various comments made by the customers who filled out surveys. She reported that there were 183 responses from the customers and so obviously not everyone filled them out (they might have opted not to but they were requested to).

Ms. McIntosh discussed cost savings and noted that staff never predicted that there would be a huge cost savings in utilities but unfortunately they had a power outage that was beyond their control in January that knocked out the control panels and Facilities lost control over the air handlers for about two months before the new part arrived. She said that they did not really have a fair analysis of any utility savings to report at this time but they did realize at least \$1,000 during the four months just in electric. She added that they were going to have some cost savings because all of the work stations were shut down on Fridays and the lights were turned off, etc. on the second floor. She stated that there were also cost savings for the employees as far as driving one less day to and from work. She added that it was true that employees still drive on Fridays, their day off, but the number of

employees the Town had that live outside of Fountain Hills did not have to drive the same distance to run errands as it took them to commute to work.

Ms. McIntosh also commented on positive environmental impacts and noted that the Town's Green Fridays were in direct alignment with Maricopa County's trip reduction plan and the Green Fridays also uphold the Town's environmental initiatives, which was in direct alignment with the Council's goals and also the Strategic Priority of the Strategic Plan to enhance dedication to stewardship of the natural environment. She reported that the Town had approximately 63 full-time employees and this saves 6,555 commuting trips annually (by being closed on Friday) or 70,200 fewer commuting miles annually. She noted that by reducing that, they also reduce carbon dioxide released into the atmosphere by 70,000 pounds annually.

Ms. McIntosh discussed employee retention and job satisfaction and reported that no employees had left because they did not like the 4-10 schedule and wanted to go work someplace else. Staff had heard a lot of comments about the fact that there was less stress driving because of the decreased traffic at those hours (people were missing the rush hours). She reiterated that 36.5% of Town staff travel to work from outside Fountain Hills. She noted that in response to some of the concerns that were expressed regarding day care issues, alternatives had been provided to help overcome these challenges. She stated the opinion that they had satisfied everyone who had those concerns. She commented that during these tight budgetary times, some employees were encouraged and considered having Green Fridays a benefit of working for the Town.

Discussion ensued relative to the employee satisfaction survey and the fact that 100% of the employees returned the surveys and 79% of them were in favor of continuing the 4-10 schedule or did not care one way or another; another 8% wanted to continue the 4-10's only during the summer months and 13% were in favor of going back to the 5-8 schedule; comments by employees in favor of continuing Green Fridays and comments by employees not in favor of continuing the program; the fact that each employee continues to work a full schedule of 40 hours each week; the reduced number of work days did not equate to reduced hours of work per week; the fact that exempt employees continue to work as required on Fridays and weekends (retreats, special events, meetings and special projects); the effect on holiday pay and the trend toward 4-10 schedules in local government.

Ms. McIntosh reiterated that in response to the Council's request, staff had brought back the Green Friday issue for reconsideration this evening. She welcomed input and questions from the members of the Council.

Mayor Schlum thanked Ms. McIntosh for her presentation.

Councilmember Dickey **MOVED** that the Council approve a permanent change to Town Hall business hours by lengthening the hours of operation to Monday through Thursday 7:00 a.m. to 6:00 p.m. and closing Town Hall on Fridays and Vice Mayor Archambault **SECONDED** the motion.

Councilmember Hansen requested a breakdown on the employee and customer surveys and noted that on the employee survey 79% wanted to keep it and they did not care – she asked for more detailed numbers.

Ms. McIntosh advised that she did not bring those numbers with her but she believed that for the employees 73% wanted to keep the current schedule and approximately 50% of the Town's outside customers wanted to stay with the 4-10's and the remaining were neutral.

Councilmember Dickey asked whether there had been a reduction in doctor's appointments and/or absences from work and Ms. McIntosh replied that it was too soon to tell although some of the comments received from employees were that they had missed less time because they were able to schedule their doctors' appointments on a Friday. She added that she had also heard that there were some physicians and dental offices that were not open on Fridays so it might be a wash.

Councilmember Contino asked how many people indicated that the new schedule was affecting their marriage and Ms. McIntosh replied only one. She added that two people had been inconvenienced as far as day care (and she believed they had satisfied those concerns).

Councilmember Contino expressed concerns regarding street workers being outside during the summer months and the fact that Parks & Recreation went to 8-hour days and the possibility of considering having Streets go to 8-hour days as well; Councilmember Contino's also expressed concerns regarding customer service and the fact that he was contacted by a citizen who said an employee told him he/she worked only four hours a day and did not have enough time to get everything done now; the fact that Councilmember Contino conducted a personal survey and determined that 3 out of 4 of the 90 citizens he surveyed said that they did not want the 8-hour days; the fact that the air handlers run 24/7 but Facilities was able to control them so that the temperature on the second floor was much warmer; the fact that on Mondays the equipment had to work hard to get the temperature either up or down; and Councilmember Contino's suggestion that they continue the trial period until the end of the year in order to obtain a cost figure and more employee input.

Councilmember Leger commented that the motion was to make the 4-10 schedule permanent and said that he did not feel comfortable making it permanent. He said that he would feel comfortable amending the motion to approve this for a year and then re-evaluating it at the end of the year with the criteria that throughout that year period, the Council receive periodic reports on cost savings and customer service. He stated that initially he thought about extending the trial period and said that he would prefer to get a "snapshot" of a whole year on this. He clarified that it would simply be an extended trial period and noted that the Town of Queen Creek was doing that. He said that he was hearing from citizens that they would like a little more time to evaluate it.

Councilmember Leger **MOVED** to amend the motion to approve a change in Town Hall business hours by lengthening the hours of operation to Monday through Thursday 7:00 a.m. to 6:00 p.m. and closing the Town Hall on Fridays for a period of one year to be evaluated annually with quarterly reports regarding cost savings and levels of customer service and Councilmember Hansen **SECONDED** the amended motion.

Councilmember Dickey said that she understood the idea about looking at the cost savings but there were four issues that they looked at and cost savings was only one of them. She noted that the amount did not come out to what they expected it to be but cost savings was not the main reason for doing this. She stated the opinion that having Green Fridays was a recruiting tool that could be used for the benefit of the Town. She added that she would like the employees to be able to plan ahead and schedule their lives based on a definite permanent schedule. She said that she would prefer making the change to the 4-10's a permanent change.

Councilmember Hansen stated that they needed to keep in mind that people were happy with it now and if the construction hopefully started picking up again this could have an impact on construction people, on builders having to wait three days to get a building permit. She added that she supported Councilmember Leger's amended motion.

Vice Mayor Archambault said he believed Councilmember Leger's motion called for a quarterly report, not in front of the Council but in some format they could review, and added that he did not want to burden staff with additional paperwork. He asked whether that request was possible to accommodate.

Ms. McIntosh advised that anything that the Council requested could be accomplished. She said that staff would be happy to present the information at a Council meeting or simply put the information in a memo form for the members to review.

The Vice Mayor stated that he was encouraged by the results that they had received so far and stated the opinion that more and more citizens would find out about the extended hours and take advantage of them. He agreed that additional study would be beneficial.

The motion **CARRIED** by majority vote of those present (5-1) with Councilmember Dickey voting Nay.

Councilmember Hansen commented on the fact that the 4-10's was a benefit that was not being offered to all employees and said that she had a problem with that.

Ms. McIntosh advised that all employees had been offered the option to work the 4-10's. She noted that the Community Center was open seven days a week but they did have the opportunity to rotate so half of the staff could work Monday through Thursday and the other half Tuesday through Friday or something like that. She added that Parks had that same option but they had chosen not to because of the heat during the summer months. She said that Streets would have that option as well and explained that it would not affect the utilities because they were out in the field most of the day anyway. She said that she could not think of anyone who did not have the option to work the 4-10's if they choose to do so.

In response to a question from Councilmember Hansen relative to the Streets department and whether they would have the ability to make choices on an individual basis, Ms. McIntosh replied that that would be up to the Director of the department and from talking with them it seemed feasible because they had certain responsibilities that were being cut back on (such as the landscaping contract this Fiscal Year).

Councilmember Hansen said that the employees in that department worked outside and faced more challenges.

Mayor Schlum asked for a vote on the main motion.

The motion **CARRIED UNANIMOUSLY** (6-0) by those present.

The Mayor thanked Ms. McIntosh for her presentation.

AGENDA ITEM #12 – COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER

Items listed below were related only to the propriety of (i) placing such items on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council.

A. NONE

Mr. Davis informed the Council that he would not be present at the June 18th meeting and Ms. Ghetti would be taking his place. He said that he would be attending Scout Camp.

Mayor Schlum stated that former Councilmember Melendez had requested that a letter be sent to the County Supervisor's office relative to assistance on the STS program/funding. He added that it would be a good idea if the speaker cards were kept so they had as much information as possible on the people impacted by the elimination of this program.

AGENDA ITEM #13 – SUMMARY OF COUNCIL REQUESTS AND REPORT ON RECENT ACTIVITIES BY THE TOWN MANAGER.

None.

AGENDA ITEM #14 - ADJOURNMENT

Vice Mayor Archambault **MOVED** to adjourn the meeting and Councilmember Contino **SECONDED** the motion, which **CARRIED UNANIMOUSLY** by those present (6-0). The meeting adjourned at 10:10 p.m.

TOWN OF FOUNTAIN HILLS

By _____
Jay T. Schlum, Mayor

ATTEST AND
PREPARED BY:

Bevelyn J. Bender, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Executive and Regular Session held by the Town Council of Fountain Hills on the 4th day of June 2009. I further certify that the meeting was duly called and that a quorum was present.

DATED this 18th day of June 2009.

Bevelyn J. Bender, Town Clerk